



# ***FINANCE COMMITTEE***

## ***CITY COUNCIL***

**MONDAY, MAY 7, 2007  
CITY COUNCIL OFFICE  
5:00 p.m.**

### **AGENDA**

*Committee: M. Goodman-Hinnershitz, Chair; S. Fuhs; J. Waltman*

- |             |   |                 |
|-------------|---|-----------------|
| <b>I.</b>   | <b>Report on Outstanding Debt</b>   | <b>5:00p.m.</b> |
| <b>II.</b>  | <b>Discussion on Bond Closing Costs</b><br>-Bond vs. Pennvest Financing of Sewer Plant Project            | <b>5:30p.m.</b> |
| <b>III.</b> | <b>PENNVEST Loan</b>  | <b>6:00p.m.</b> |
| <b>IV.</b>  | <b>Park and Recreation Endowment Funds</b><br>-How to establish<br>-Legal obstacles<br>-Contingency Funds | <b>6:30p.m.</b> |
| <b>V.</b>   | <b>Review of Budget Summit Agenda</b>   | <b>6:45p.m.</b> |
| <b>VI.</b>  | <b>Sidewalk Café Permit Fee</b>   | <b>7:00p.m.</b> |

### **Upcoming Issues**

Trash and Recycling Costs  
Land Value Tax – Two Tier Tax -  
Policy for the review and adoption of bonds and other financing initiatives  
Storm Sewer Utility  
Water Authority  
Study of City's Fines and Fees - Maximus

*It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice.*

**TO:** The City of Reading

**FROM:** Financial S&Lutions LLC

**DATE:** March 22, 2007

**RE:** City's Current Outstanding Debt Service Requirements

The City of Reading currently has approximately \$301,000,000 of outstanding general obligation debt outstanding. Of this amount approximately \$124,870,000 is self liquidating debt to be used to fund various sewer system projects/improvements – the debt service requirements for this debt will be paid by proceeds from sewer bills (the City raised the sewer rates in December of 2006 in order to pay the principal and interest requirements of the 2006A Note and 2008 General Obligation Bonds to be issued in November of 2008). The City's current general obligation debt service requirements are detailed by each issue in Appendix A.

The City has also been proactive in the derivative marketplace. The City has entered into nine (9) separate interest rate swaps since FY 2004 in order to hedge its interest rate exposure in connection with various variable rate bonds and to effectively reduce its annual general fund operating deficits. Some of these swaps have since been amended or terminated as the City has refunded its outstanding GO Bonds. The following is a description of the City's outstanding swaps and the amount the City received in connection with each agreement:

**1998 GO Bonds** (basis swap) – City received \$87,026 in December of 2004 (bonds were refunded by the 2005 GO Notes)

**2002 GO Bonds** (variable-to-fixed option) - City received \$271,382 in December of 2004 for the sale of the option (this swap has not been exercised – it is not currently active until the counterparty utilizes its option – it may never go active)

**2002 CABs** (variable-to-fixed option) - City received \$685,489 in December of 2004 and March of 2005 for the sale of the option (this swap has not been exercised – it is not currently active until the counterparty utilizes its option – it may never go active)

**2002 CABs** (basis swap) - City received \$312,500 in March of 2005 to enter into the basis swap

**2005 GO Bonds** (basis swap) – City received \$93,000 in October of 2005 (the City received the premium payment to convert the basis swap from the 1998 Bonds to the 2005 GO Notes)

**2009 GO Bonds** (variable-to-fixed swap) – City received \$2,857,000 in December of 2005 to enter into a variable-to-fixed swap in connection with the 2009 GO variable rate bonds to be issued in November of 2009. (the swap will be active when the variable rate bonds are issued in 2009 – the purpose of the 2009 Bonds is to fund various capital projects of the City and to refund the 2006 GO Note)

**2008 GO Bonds** (variable-to-fixed swap) – City received \$4,500,397 in December of 2006 to enter into a variable-to-fixed swap in connection with the 2008 GO variable rate bonds to be issued in November of 2008. (the swap will be active when the variable rate bonds are issued in 2008 – the purpose of the 2008 Bonds is to fund various

improvements to the sewer system and to refund the 2006A GO Note)

## **SWAP SUMMARY:**

Below is to total amount of cash that the City received in connection with its various outstanding swap agreements in each fiscal year:

FY 2004 - \$700,197

FY 2005 - \$3,606,200

FY 2006 - \$4,500,397

**TOTAL - \$8,806,794**

Two of the City's current outstanding general obligation bonds are noncallable – which means that they cannot be refunded prior to the final maturity of the obligations. The City's GO Bonds Series of 2002 and GO Notes Series of 2005 are noncallable issues. If the City did not enter into swaps in connection with these two issues the City would still be obligated to pay the principal and interest requirements on the bonds through the respective final maturities.

The City's CABs Series of 2002 have a call date of May 15, 2012. The City decided to take advantage of the low interest rate market in December of 2004 and get the value of the refunding in an upfront cash payment to be used in FY 2004. If the City would have waited to traditionally refund these bonds it may not have received as much value from the refunding – to conduct a true comparison if they received the most value from the refunding the City would have to take the fixed rate yield curve at the time of the call date (May 15, 2012) and see what the value of a traditional refunding would be and run a present value calculation back to the time that the City sold the option and compare the cash payment received by the City in 2004 to the refunding value in 2012.

The two larger upfront payments were the result of the City entering into forward variable-to-fixed swap agreements in connection with variable rate bonds to be issued in November of 2008 and November of 2009. The City received a combined premium payment of over \$7,000,000 in connection with these two swaps. In order to make a true comparison of the value that the City received for the swaps, the City would have to wait and see what the 2008 and 2009 Bonds trade at on a variable rate basis through the life of the two bonds. Once that is known then the City would have to compare the debt service requirements on a variable rate basis to the debt service requirements the City will pay on a fixed rate basis and run a present value calculation back to the time the City received its upfront cash payments for these two bonds.

Please note that if the City did not utilize the upfront payments in connection with the swaps the City would currently be running a general fund deficit of almost \$9 million dollars. It is very difficult to make a "what if" comparison when a true comparison can only be made after all of the bonds have matured. The City made a conscious decision not to raise property taxes leaving the leveraging of the City's outstanding debt as the only way to fix the general fund deficit.

# **APPENDIX A**

## **CURRENT COMBINED CITY OUTSTANDING GENERAL OBLIGATION DEBT SERVICE**

| YEAR | 2002 BONDS (CABS) | 2002 BONDS   | 2005 NOTES   | 2006 NOTE     | 2006 A NOTE   | 2009 BONDS    | TOTAL                   |
|------|-------------------|--------------|--------------|---------------|---------------|---------------|-------------------------|
| 2007 | 260,000.00        | 5,139,950.00 | 965,641.26   | 565,000.00    | 3,465,753.42  | 3,375,864.17  | 0.00 0.00 13,772,208.85 |
| 2008 | 190,000.00        | 5,141,162.50 | 1,010,591.26 | 564,650.00    | 3,610,650.76  | 0.00 0.00     | 10,517,054.52           |
| 2009 | 575,000.00        | 5,142,712.50 | 593,441.26   | 564,300.00    | 3,608,428.26  | 3,425,333.33  | 0.00 13,909,215.35      |
| 2010 | 590,000.00        | 5,142,437.50 | 545,741.26   | 3,609,393.76  | 3,473,823.20  | 1,330,069.44  | 14,691,465.16           |
| 2011 | 785,000.00        | 3,097,475.00 | 2,354,346.26 | 3,607,553.76  | 3,475,495.20  | 1,342,500.00  | 14,662,370.22           |
| 2012 | 385,000.00        | 2,537,087.50 | 3,279,058.76 | 3,607,289.76  | 3,474,500.80  | 1,342,232.50  | 14,625,169.32           |
| 2013 | 3,455,000.00      | 435,200.00   | 2,273,918.76 | 3,609,049.76  | 3,480,840.00  | 1,341,965.00  | 14,595,973.52           |
| 2014 | 3,285,000.00      | 438,300.00   | 2,391,368.76 | 3,606,915.76  | 3,484,028.00  | 1,341,697.50  | 14,547,310.02           |
| 2015 | 3,325,000.00      | 439,900.00   | 2,302,056.26 | 3,610,822.76  | 3,484,064.80  | 1,341,430.00  | 14,503,273.82           |
| 2016 | 3,710,000.00      | 3,340,750.00 | 3,610,342.76 | 3,485,950.40  | 1,341,162.50  | 15,488,205.66 |                         |
| 2017 | 3,950,000.00      | 3,610,649.00 | 3,489,442.40 | 1,340,895.00  | 12,390,986.40 |               |                         |
| 2018 | 3,690,000.00      | 3,610,629.00 | 3,489,298.40 | 1,340,627.50  | 12,130,554.90 |               |                         |
| 2019 | 1,515,000.00      | 3,610,329.00 | 3,490,518.40 | 1,720,360.00  | 10,336,207.40 |               |                         |
| 2020 | 3,609,399.00      | 3,492,860.00 | 3,234,762.50 | 10,337,021.50 |               |               |                         |
| 2021 | 3,608,434.00      | 3,501,080.80 | 3,237,042.50 | 10,346,557.30 |               |               |                         |
| 2022 | 3,611,166.50      | 3,499,696.00 | 3,238,705.00 | 10,349,567.50 |               |               |                         |
| 2023 | 3,611,533.50      | 3,503,948.00 | 3,234,482.50 | 10,349,964.00 |               |               |                         |
| 2024 | 3,609,329.50      | 3,508,352.00 | 3,234,375.00 | 10,352,056.50 |               |               |                         |
| 2025 | 3,610,549.50      | 3,512,665.60 | 3,237,847.50 | 10,361,062.60 |               |               |                         |
| 2026 | 3,609,645.50      | 3,511,646.40 | 3,239,365.00 | 10,360,656.90 |               |               |                         |

2027 3,606,343.50 3,515,294.40 3,238,660.00 **10,360,297.90**  
2028 3,608,992.00 3,518,124.80 3,235,465.00 **10,362,581.80**  
2029 3,608,069.00 3,524,895.20 3,239,512.50 **10,372,476.70**  
2030 3,608,298.00 3,530,120.80 **7,138,418.80**  
2031 3,609,126.00 3,533,559.20 **7,142,685.20**  
2032 3,539,968.00 **3,539,968.00**  
2033 3,543,862.40 **3,543,862.40**  
**25,715,000.00 27,514,225.00 19,056,913.84 1,693,950.00 3,465,753.42 89,998,804.51 87,489,368.53 46,153,156.94 301,087,172.24**  
2006 TAXABLE PENSION  
BONDS

2008 SEWER BONDS

**TOTAL CITY GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS (INCLUDES  
AUTHORIZED 2008 SEWER BONDS)**

0.00  
2,000,000.00  
4,000,000.00  
6,000,000.00  
8,000,000.00  
10,000,000.00  
12,000,000.00  
14,000,000.00  
16,000,000.00  
18,000,000.00

2007  
2008  
2009  
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2011  
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2020  
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2022  
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2028  
2029  
2030  
2031  
2032  
2033

2009 BONDS  
2008 SEWER BONDS  
2006 TAXABLE PENSION BONDS  
2006 A NOTE  
2006 NOTE  
2005 NOTES  
2002 BONDS  
2002 BONDS (CABS)

**GENERAL OBLIGATION BONDS (CABs), SERIES OF 2002  
OUTSTANDING DEBT SERVICE REQUIREMENTS**

FISCAL YEAR  
DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE  
15-May-07 - - -  
15-Nov-07 260,000.00 260,000.00 260,000.00  
15-May-08 - - -  
15-Nov-08 190,000.00 190,000.00 190,000.00  
15-May-09 - - -  
15-Nov-09 575,000.00 575,000.00 575,000.00  
15-May-10 - - -  
15-Nov-10 590,000.00 590,000.00 590,000.00  
15-May-11 - - -  
15-Nov-11 785,000.00 785,000.00 785,000.00

|                  |                      |                      |                      |
|------------------|----------------------|----------------------|----------------------|
| 15-May-12        | -                    | -                    | -                    |
| 15-Nov-12        | 385,000.00           | 385,000.00           | 385,000.00           |
| 15-May-13        | -                    | -                    | -                    |
| 15-Nov-13        | 3,455,000.00         | 3,455,000.00         | 3,455,000.00         |
| 15-May-14        | -                    | -                    | -                    |
| 15-Nov-14        | 3,285,000.00         | 3,285,000.00         | 3,285,000.00         |
| 15-May-15        | -                    | -                    | -                    |
| 15-Nov-15        | 3,325,000.00         | 3,325,000.00         | 3,325,000.00         |
| 15-May-16        | -                    | -                    | -                    |
| 15-Nov-16        | 3,710,000.00         | 3,710,000.00         | 3,710,000.00         |
| 15-May-17        | -                    | -                    | -                    |
| 15-Nov-17        | 3,950,000.00         | 3,950,000.00         | 3,950,000.00         |
| 15-May-18        | -                    | -                    | -                    |
| 15-Nov-18        | 3,690,000.00         | 3,690,000.00         | 3,690,000.00         |
| 15-May-19        | -                    | -                    | -                    |
| 15-Nov-19        | 1,515,000.00         | 1,515,000.00         | 1,515,000.00         |
| <b>25-May-12</b> | <b>25,715,000.00</b> | <b>25,715,000.00</b> | <b>25,715,000.00</b> |

**15-May-12**

**VARIOUS CITY CAPITAL PROJECTS**

**INSURANCE: FSA**

**OPTIONAL REDEMPTION DATE:**

**PURPOSE OF THE ISSUE:**

**GENERAL OBLIGATION BONDS, SERIES OF 2002**

**OUTSTANDING DEBT SERVICE REQUIREMENTS**

**FISCAL YEAR**

**DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE**

|                  |                      |                     |                      |                           |
|------------------|----------------------|---------------------|----------------------|---------------------------|
| 15-May-07        | 667,475.00           | 667,475.00          |                      |                           |
| 15-Nov-07        | 3,805,000.00         | 5.750%              | 667,475.00           | 4,472,475.00 5,139,950.00 |
| 15-May-08        | -                    | 558,081.25          | 558,081.25           | -                         |
| 15-Nov-08        | 4,025,000.00         | 5.800%              | 558,081.25           | 4,583,081.25 5,141,162.50 |
| 15-May-09        | -                    | 441,356.25          | 441,356.25           | -                         |
| 15-Nov-09        | 4,260,000.00         | 5.875%              | 441,356.25           | 4,701,356.25 5,142,712.50 |
| 15-May-10        | -                    | 316,218.75          | 316,218.75           | -                         |
| 15-Nov-10        | 4,510,000.00         | 5.875%              | 316,218.75           | 4,826,218.75 5,142,437.50 |
| 15-May-11        | -                    | 183,737.50          | 183,737.50           | -                         |
| 15-Nov-11        | 2,730,000.00         | 5.875%              | 183,737.50           | 2,913,737.50 3,097,475.00 |
| 15-May-12        | -                    | 103,543.75          | 103,543.75           | -                         |
| 15-Nov-12        | 2,330,000.00         | 5.875%              | 103,543.75           | 2,433,543.75 2,537,087.50 |
| 15-May-13        | -                    | 35,100.00           | 35,100.00            | -                         |
| 15-Nov-13        | 365,000.00           | 6.000%              | 35,100.00            | 400,100.00 435,200.00     |
| 15-May-14        | -                    | 24,150.00           | 24,150.00            | -                         |
| 15-Nov-14        | 390,000.00           | 6.000%              | 24,150.00            | 414,150.00 438,300.00     |
| 15-May-15        | -                    | 12,450.00           | 12,450.00            | -                         |
| 15-Nov-15        | 415,000.00           | 6.000%              | 12,450.00            | 427,450.00 439,900.00     |
| <b>22-May-12</b> | <b>22,830,000.00</b> | <b>4,684,225.00</b> | <b>27,514,225.00</b> | <b>27,514,225.00</b>      |

**NONCALLABLE**

**INSURANCE: AMBAC**

**OPTIONAL REDEMPTION DATE:**

**PURPOSE OF THE ISSUE: CURRENT REFUNDING OF THE SECOND SERIES OF 1992 BONDS & CAPITAL PROJECTS**

**GENERAL OBLIGATION NOTES, SERIES OF 2005**

**OUTSTANDING DEBT SERVICE REQUIREMENTS**

**FISCAL YEAR**

**DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE**

|           |            |            |            |                         |
|-----------|------------|------------|------------|-------------------------|
| 15-May-07 | 267,820.63 | 267,820.63 |            |                         |
| 15-Nov-07 | 430,000.00 | 3.500%     | 267,820.63 | 697,820.63 965,641.26   |
| 15-May-08 | -          | 260,295.63 | 260,295.63 | -                       |
| 15-Nov-08 | 490,000.00 | 3.500%     | 260,295.63 | 750,295.63 1,010,591.26 |
| 15-May-09 | -          | 251,720.63 | 251,720.63 | -                       |

|                      |                     |        |                      |                      |              |
|----------------------|---------------------|--------|----------------------|----------------------|--------------|
| 15-Nov-09            | 90,000.00           | 3.000% | 251,720.63           | 341,720.63           | 593,441.26   |
| 15-May-10            | -                   |        | 250,370.63           | 250,370.63           | -            |
| 15-Nov-10            | 45,000.00           | 3.100% | 250,370.63           | 295,370.63           | 545,741.26   |
| 15-May-11            | -                   |        | 249,673.13           | 249,673.13           | -            |
| 15-Nov-11            | 1,855,000.00        | 3.250% | 249,673.13           | 2,104,673.13         | 2,354,346.26 |
| 15-May-12            | -                   |        | 219,529.38           | 219,529.38           | -            |
| 15-Nov-12            | 2,840,000.00        | 3.350% | 219,529.38           | 3,059,529.38         | 3,279,058.76 |
| 15-May-13            | -                   |        | 171,959.38           | 171,959.38           | -            |
| 15-Nov-13            | 1,930,000.00        | 3.500% | 171,959.38           | 2,101,959.38         | 2,273,918.76 |
| 15-May-14            | -                   |        | 138,184.38           | 138,184.38           | -            |
| 15-Nov-14            | 2,115,000.00        | 3.750% | 138,184.38           | 2,253,184.38         | 2,391,368.76 |
| 15-May-15            | -                   |        | 98,528.13            | 98,528.13            | -            |
| 15-Nov-15            | 2,105,000.00        | 3.625% | 98,528.13            | 2,203,528.13         | 2,302,056.26 |
| 15-May-16            | -                   |        | 60,375.00            | 60,375.00            | -            |
| 15-Nov-16            | 3,220,000.00        | 3.750% | 60,375.00            | 3,280,375.00         | 3,340,750.00 |
| <b>15,120,000.00</b> | <b>3,936,913.84</b> |        | <b>19,056,913.84</b> | <b>19,056,913.84</b> |              |

**NONCALLABLE**

**CURRENT REFUNDING OF THE 1998 BONDS**

**INSURANCE: FSA**

**OPTIONAL REDEMPTION DATE:**

**PURPOSE OF THE ISSUE:**

**GENERAL OBLIGATION NOTE, SERIES OF 2006**

**MAXIMUM OUTSTANDING DEBT SERVICE REQUIREMENTS**

**FISCAL YEAR**

**DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE**

|                  |                     |                     |                     |                       |
|------------------|---------------------|---------------------|---------------------|-----------------------|
| 15-May-07        | 7.00%               | 280,000.00          | 280,000.00          |                       |
| 15-Nov-07        | 5,000.00            | 7.00%               | 280,000.00          | 285,000.00 565,000.00 |
| 15-May-08        | 7.00%               | 279,825.00          | 279,825.00          |                       |
| 15-Nov-08        | 5,000.00            | 7.00%               | 279,825.00          | 284,825.00 564,650.00 |
| 15-May-09        | 7.00%               | 279,650.00          | 279,650.00          |                       |
| 15-Nov-09        | 5,000.00            | 7.00%               | 279,650.00          | 284,650.00 564,300.00 |
| <b>15,000.00</b> | <b>1,678,950.00</b> | <b>1,693,950.00</b> | <b>1,693,950.00</b> |                       |

**15-Nov-09**

**VARIOUS CAPITAL PROJECTS OF THE CITY**

**INSURANCE: NONE**

**OPTIONAL REDEMPTION DATE:**

**PURPOSE OF THE ISSUE:**

**TAXABLE PENSION OBLIGATION BONDS, SERIES OF 2006**

**MAXIMUM OUTSTANDING DEBT SERVICE REQUIREMENTS**

**FISCAL YEAR**

**DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE**

|           |              |       |              |                           |
|-----------|--------------|-------|--------------|---------------------------|
| 15-May-07 | 1,185,121.29 |       | 1,185,121.29 |                           |
| 15-Nov-07 | 890,000.00   | 5.15% | 1,300,742.88 | 2,190,742.88 3,375,864.17 |
| 15-May-08 | 1,277,825.38 |       | 1,277,825.38 |                           |
| 15-Nov-08 | 1,055,000.00 | 4.95% | 1,277,825.38 | 2,332,825.38 3,610,650.76 |
| 15-May-09 | 1,251,714.13 |       | 1,251,714.13 |                           |
| 15-Nov-09 | 1,105,000.00 | 4.89% | 1,251,714.13 | 2,356,714.13 3,608,428.26 |
| 15-May-10 | 1,224,696.88 |       | 1,224,696.88 |                           |
| 15-Nov-10 | 1,160,000.00 | 4.90% | 1,224,696.88 | 2,384,696.88 3,609,393.76 |
| 15-May-11 | 1,196,276.88 |       | 1,196,276.88 |                           |
| 15-Nov-11 | 1,215,000.00 | 4.96% | 1,196,276.88 | 2,411,276.88 3,607,553.76 |
| 15-May-12 | 1,166,144.88 |       | 1,166,144.88 |                           |
| 15-Nov-12 | 1,275,000.00 | 4.96% | 1,166,144.88 | 2,441,144.88 3,607,289.76 |
| 15-May-13 | 1,134,524.88 |       | 1,134,524.88 |                           |
| 15-Nov-13 | 1,340,000.00 | 5.01% | 1,134,524.88 | 2,474,524.88 3,609,049.76 |
| 15-May-14 | 1,100,957.88 |       | 1,100,957.88 |                           |
| 15-Nov-14 | 1,405,000.00 | 5.06% | 1,100,957.88 | 2,505,957.88 3,606,915.76 |
| 15-May-15 | 1,065,411.38 |       | 1,065,411.38 |                           |
| 15-Nov-15 | 1,480,000.00 | 5.10% | 1,065,411.38 | 2,545,411.38 3,610,822.76 |
| 15-May-16 | 1,027,671.38 |       | 1,027,671.38 |                           |
| 15-Nov-16 | 1,555,000.00 | 5.13% | 1,027,671.38 | 2,582,671.38 3,610,342.76 |
| 15-May-17 | 987,824.50   |       | 987,824.50   |                           |
| 15-Nov-17 | 1,635,000.00 | 5.20% | 987,824.50   | 2,622,824.50 3,610,649.00 |
| 15-May-18 | 945,314.50   |       | 945,314.50   |                           |
| 15-Nov-18 | 1,720,000.00 | 5.25% | 945,314.50   | 2,665,314.50 3,610,629.00 |
| 15-May-19 | 900,164.50   |       | 900,164.50   |                           |

|                      |                      |       |                      |                      |              |
|----------------------|----------------------|-------|----------------------|----------------------|--------------|
| 15-Nov-19            | 1,810,000.00         | 5.30% | 900,164.50           | 2,710,164.50         | 3,610,329.00 |
| 15-May-20            | 852,199.50           |       | 852,199.50           |                      |              |
| 15-Nov-20            | 1,905,000.00         | 5.30% | 852,199.50           | 2,757,199.50         | 3,609,399.00 |
| 15-May-21            | 801,717.00           |       | 801,717.00           |                      |              |
| 15-Nov-21            | 2,005,000.00         | 5.35% | 801,717.00           | 2,806,717.00         | 3,608,434.00 |
| 15-May-22            | 748,083.25           |       | 748,083.25           |                      |              |
| 15-Nov-22            | 2,115,000.00         | 5.42% | 748,083.25           | 2,863,083.25         | 3,611,166.50 |
| 15-May-23            | 690,766.75           |       | 690,766.75           |                      |              |
| 15-Nov-23            | 2,230,000.00         | 5.48% | 690,766.75           | 2,920,766.75         | 3,611,533.50 |
| 15-May-24            | 629,664.75           |       | 629,664.75           |                      |              |
| 15-Nov-24            | 2,350,000.00         | 5.48% | 629,664.75           | 2,979,664.75         | 3,609,329.50 |
| 15-May-25            | 565,274.75           |       | 565,274.75           |                      |              |
| 15-Nov-25            | 2,480,000.00         | 5.48% | 565,274.75           | 3,045,274.75         | 3,610,549.50 |
| 15-May-26            | 497,322.75           |       | 497,322.75           |                      |              |
| 15-Nov-26            | 2,615,000.00         | 5.48% | 497,322.75           | 3,112,322.75         | 3,609,645.50 |
| 15-May-27            | 425,671.75           |       | 425,671.75           |                      |              |
| 15-Nov-27            | 2,755,000.00         | 5.53% | 425,671.75           | 3,180,671.75         | 3,606,343.50 |
| 15-May-28            | 349,496.00           |       | 349,496.00           |                      |              |
| 15-Nov-28            | 2,910,000.00         | 5.53% | 349,496.00           | 3,259,496.00         | 3,608,992.00 |
| 15-May-29            | 269,034.50           |       | 269,034.50           |                      |              |
| 15-Nov-29            | 3,070,000.00         | 5.53% | 269,034.50           | 3,339,034.50         | 3,608,069.00 |
| 15-May-30            | 184,149.00           |       | 184,149.00           |                      |              |
| 15-Nov-30            | 3,240,000.00         | 5.53% | 184,149.00           | 3,424,149.00         | 3,608,298.00 |
| 15-May-31            | 94,563.00            |       | 94,563.00            |                      |              |
| 15-Nov-31            | 3,420,000.00         | 5.53% | 94,563.00            | 3,514,563.00         | 3,609,126.00 |
| <b>48,740,000.00</b> | <b>41,258,804.51</b> |       | <b>89,998,804.51</b> | <b>89,998,804.51</b> |              |

**15-Nov-16**

**INSURANCE: FSA**

**OPTIONAL REDEMPTION DATE:**

**PURPOSE OF THE ISSUE: FUNDING OF THE CITY'S ACTUARIAL ACCRUED PENSION LIABILITIES**

## GENERAL OBLIGATION NOTE, SERIES A OF 2006

MAXIMUM OUTSTANDING DEBT SERVICE REQUIREMENTS

FISCAL YEAR

DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE

|                      |            |                      |                      |                      |               |
|----------------------|------------|----------------------|----------------------|----------------------|---------------|
| 15-May-07            | 11.00%     | 1,039,726.03         | 1,039,726.03         |                      |               |
| 15-Nov-07            | 11.00%     | 2,426,027.40         | 2,426,027.40         | 3,465,753.42         |               |
| 15-May-08            | 11.00%     | 3,797,260.27         | 3,797,260.27         |                      |               |
| 6-Nov-08             | 25,000,000 | 11.00%               | 5,115,753.42         | 30,115,753.42        | 33,913,013.70 |
| <b>25,000,000.00</b> |            | <b>12,378,767.12</b> | <b>37,378,767.12</b> | <b>37,378,767.12</b> |               |

**6-Nov-08**

**SEWER SYSTEM CAPITAL PROJECTS**

**INSURANCE: NONE**

**OPTIONAL REDEMPTION DATE:**

**PURPOSE OF THE ISSUE:**

**GENERAL OBLIGATION BONDS, SERIES OF 2008 (SEWER PROJECTS)**

OUTSTANDING DEBT SERVICE REQUIREMENTS (SWAPPED TO A FIXED RATE OF 4.85%)

FISCAL YEAR

DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE

|          |              |       |              |              |              |
|----------|--------------|-------|--------------|--------------|--------------|
| 1-Nov-08 |              |       |              |              |              |
| 1-May-09 | 1,178,333.33 |       | 1,178,333.33 |              |              |
| 1-Nov-09 | 1,035,000.00 | 4.85% | 1,212,000.00 | 2,247,000.00 | 3,425,333.33 |
| 1-May-10 | 1,186,911.60 |       | 1,186,911.60 |              |              |
| 1-Nov-10 | 1,100,000.00 | 4.85% | 1,186,911.60 | 2,286,911.60 | 3,473,823.20 |
| 1-May-11 | 1,160,247.60 |       | 1,160,247.60 |              |              |
| 1-Nov-11 | 1,155,000.00 | 4.85% | 1,160,247.60 | 2,315,247.60 | 3,475,495.20 |
| 1-May-12 | 1,132,250.40 |       | 1,132,250.40 |              |              |
| 1-Nov-12 | 1,210,000.00 | 4.85% | 1,132,250.40 | 2,342,250.40 | 3,474,500.80 |
| 1-May-13 | 1,102,920.00 |       | 1,102,920.00 |              |              |
| 1-Nov-13 | 1,275,000.00 | 4.85% | 1,102,920.00 | 2,377,920.00 | 3,480,840.00 |
| 1-May-14 | 1,072,014.00 |       | 1,072,014.00 |              |              |
| 1-Nov-14 | 1,340,000.00 | 4.85% | 1,072,014.00 | 2,412,014.00 | 3,484,028.00 |
| 1-May-15 | 1,039,532.40 |       | 1,039,532.40 |              |              |
| 1-Nov-15 | 1,405,000.00 | 4.85% | 1,039,532.40 | 2,444,532.40 | 3,484,064.80 |
| 1-May-16 | 1,005,475.20 |       | 1,005,475.20 |              |              |
| 1-Nov-16 | 1,475,000.00 | 4.85% | 1,005,475.20 | 2,480,475.20 | 3,485,950.40 |
| 1-May-17 | 969,721.20   |       | 969,721.20   |              |              |
| 1-Nov-17 | 1,550,000.00 | 4.85% | 969,721.20   | 2,519,721.20 | 3,489,442.40 |
| 1-May-18 | 932,149.20   |       | 932,149.20   |              |              |
| 1-Nov-18 | 1,625,000.00 | 4.85% | 932,149.20   | 2,557,149.20 | 3,489,298.40 |
| 1-May-19 | 892,759.20   |       | 892,759.20   |              |              |
| 1-Nov-19 | 1,705,000.00 | 4.85% | 892,759.20   | 2,597,759.20 | 3,490,518.40 |
| 1-May-20 | 851,430.00   |       | 851,430.00   |              |              |
| 1-Nov-20 | 1,790,000.00 | 4.85% | 851,430.00   | 2,641,430.00 | 3,492,860.00 |
| 1-May-21 | 808,040.40   |       | 808,040.40   |              |              |

1-Nov-21 1,885,000.00 4.85% 808,040.40 2,693,040.40 3,501,080.80  
 1-May-22 762,348.00 762,348.00  
 1-Nov-22 1,975,000.00 4.85% 762,348.00 2,737,348.00 3,499,696.00  
 1-May-23 714,474.00 714,474.00  
 1-Nov-23 2,075,000.00 4.85% 714,474.00 2,789,474.00 3,503,948.00  
 1-May-24 664,176.00 664,176.00  
 1-Nov-24 2,180,000.00 4.85% 664,176.00 2,844,176.00 3,508,352.00  
 1-May-25 611,332.80 611,332.80  
 1-Nov-25 2,290,000.00 4.85% 611,332.80 2,901,332.80 3,512,665.60  
 1-May-26 555,823.20 555,823.20  
 1-Nov-26 2,400,000.00 4.85% 555,823.20 2,955,823.20 3,511,646.40  
 1-May-27 497,647.20 497,647.20  
 1-Nov-27 2,520,000.00 4.85% 497,647.20 3,017,647.20 3,515,294.40  
 1-May-28 436,562.40 436,562.40  
 1-Nov-28 2,645,000.00 4.85% 436,562.40 3,081,562.40 3,518,124.80  
 1-May-29 372,447.60 372,447.60  
 1-Nov-29 2,780,000.00 4.85% 372,447.60 3,152,447.60 3,524,895.20  
 1-May-30 305,060.40 305,060.40  
 1-Nov-30 2,920,000.00 4.85% 305,060.40 3,225,060.40 3,530,120.80  
 1-May-31 234,279.60 234,279.60  
 1-Nov-31 3,065,000.00 4.85% 234,279.60 3,299,279.60 3,533,559.20  
 1-May-32 159,984.00 159,984.00  
 1-Nov-32 3,220,000.00 4.85% 159,984.00 3,379,984.00 3,539,968.00  
 1-May-33 81,931.20 81,931.20  
 1-Nov-33 3,380,000.00 4.85% 81,931.20 3,461,931.20 3,543,862.40  
**50,000,000.00 37,489,368.53 87,489,368.53 87,489,368.53**

#### WEEKLY FLOATERS

INSURANCE: FSA

OPTIONAL REDEMPTION DATE:

PURPOSE OF THE ISSUE: CURRENT REFUNDING OF THE 2006 A NOTE & SEWER  
SYSTEM CAPITAL PROJECTS

## GENERAL OBLIGATION BONDS, SERIES OF 2009

OUTSTANDING DEBT SERVICE REQUIREMENTS (SWAPPED TO A FIXED RATE OF 5.35%)

FISCAL YEAR

DATE PRINCIPAL RATE INTEREST DEBT SERVICE DEBT SERVICE

1-Nov-09  
 1-May-10 661,319.44 661,319.44  
 1-Nov-10 668,750.00 668,750.00 1,330,069.44  
 1-May-11 668,750.00 668,750.00  
 1-Nov-11 5,000.00 5.35% 668,750.00 673,750.00 1,342,500.00  
 1-May-12 668,616.25 668,616.25  
 1-Nov-12 5,000.00 5.35% 668,616.25 673,616.25 1,342,232.50  
 1-May-13 668,482.50 668,482.50  
 1-Nov-13 5,000.00 5.35% 668,482.50 673,482.50 1,341,965.00  
 1-May-14 668,348.75 668,348.75  
 1-Nov-14 5,000.00 5.35% 668,348.75 673,348.75 1,341,697.50  
 1-May-15 668,215.00 668,215.00  
 1-Nov-15 5,000.00 5.35% 668,215.00 673,215.00 1,341,430.00  
 1-May-16 668,081.25 668,081.25  
 1-Nov-16 5,000.00 5.35% 668,081.25 673,081.25 1,341,162.50  
 1-May-17 667,947.50 667,947.50  
 1-Nov-17 5,000.00 5.35% 667,947.50 672,947.50 1,340,895.00  
 1-May-18 667,813.75 667,813.75  
 1-Nov-18 5,000.00 5.35% 667,813.75 672,813.75 1,340,627.50  
 1-May-19 667,680.00 667,680.00  
 1-Nov-19 385,000.00 5.35% 667,680.00 1,052,680.00 1,720,360.00  
 1-May-20 657,381.25 657,381.25  
 1-Nov-20 1,920,000.00 5.35% 657,381.25 2,577,381.25 3,234,762.50  
 1-May-21 606,021.25 606,021.25  
 1-Nov-21 2,025,000.00 5.35% 606,021.25 2,631,021.25 3,237,042.50  
 1-May-22 551,852.50 551,852.50  
 1-Nov-22 2,135,000.00 5.35% 551,852.50 2,686,852.50 3,238,705.00  
 1-May-23 494,741.25 494,741.25  
 1-Nov-23 2,245,000.00 5.35% 494,741.25 2,739,741.25 3,234,482.50  
 1-May-24 434,687.50 434,687.50  
 1-Nov-24 2,365,000.00 5.35% 434,687.50 2,799,687.50 3,234,375.00  
 1-May-25 371,423.75 371,423.75  
 1-Nov-25 2,495,000.00 5.35% 371,423.75 2,866,423.75 3,237,847.50  
 1-May-26 304,682.50 304,682.50  
 1-Nov-26 2,630,000.00 5.35% 304,682.50 2,934,682.50 3,239,365.00  
 1-May-27 234,330.00 234,330.00  
 1-Nov-27 2,770,000.00 5.35% 234,330.00 3,004,330.00 3,238,660.00  
 1-May-28 160,232.50 160,232.50  
 1-Nov-28 2,915,000.00 5.35% 160,232.50 3,075,232.50 3,235,465.00  
 1-May-29 82,256.25 82,256.25  
 1-Nov-29 3,075,000.00 5.35% 82,256.25 3,157,256.25 3,239,512.50





# ***Budget Summit - 2008 Agenda***

**Joint Goal:** To discuss and identify strategies for the 2008 Budget, to develop a list of issues that will guide the preparation of the 2008 Budget, to define and agree on parameters for 2008 Budget, and gain an understanding of revenue and expenditure, alternatives and implications.

**Saturday, June 9, 2007  
Penn Room  
9:00 a.m. – 2 p.m.**

***Moderated by Paul J. Hoh, former President of Council***

*Coffee and pasties will be served in the morning and a light lunch in the afternoon.  
Casual attire, please!*

*Please bring the ....*

*A.  
B.*

## **9:00 a.m. Welcome**

### **I. Revenues (General Fund)**

- a. 5 Yr Projection**
- b. 2008 Pro Forma Budget** – one page summary/projections
- c. Review of current fines and fees** – Increase recommendations
- d. 2007 Grants applications and receipts**

## **10:00 p.m.**

### **II. Expenditures**

#### **a. General Fund**

- 5 Yr Projection
- 2008 Pro Forma Budget – one page summary/projections
- Personnel – Review of Full Time Position Ordinance &

#### **b. CDBG Budget**

#### **c. Capital Program**

## **11:00 p.m.**

### **III. Budget Committee Process**

## **11:30 – 12 p.m. Break for Lunch**

**12:00 p.m.**

**IV. Citizen Survey and Community Meetings**

**12:30 p.m.**

**V. Policy Discussion**

**a. Pension**

- Review of 3 Pension Programs
- Annual benefit paid to each pension group (Fire, Police, Non-Uniformed)
- Review of Investment Portfolio

**b. Impact of Contracted Services v. City Hiring**

**c. Revitalization – Housing Strategy**

- Codes Enforcement
- Housing Rehabilitation
- Housing Inventory
- Amendment to Zoning Ordinance
- Housing Permit Process and Compliance

**d. Land Value (Two Tier) Tax**

- Review of spreadsheet from Auditor
- Impact businesses v. residents

**e. Water-Sewer**